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United States
Department of
Agriculture

Agricultural
Stabilization and
Conservation
Service

October 1992

USDA's Efforts To Provide Food Assistance To The Newly Independent States (Formerly The Soviet Union)

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EXECUTIVE SUMMARY

Background

During the spring and fall of 1991, the Secretary of the United States Department of Agriculture (USDA), the Under Secretary for International Affairs and Commodity Programs, and a number of other USDA officials traveled to the Newly Independent States (NIS) (former Soviet Union) to

- assess the agricultural import needs from the perspective of the need for commercial imports since this area was a major market for U.S. agriculture, and
- obtain information about areas, as well as groups of people, likely to need some type of food assistance.

As a result of this mission to NIS, Secretary Madigan and Under Secretary Crowder indicated that some areas of the NIS would be particularly hard hit by shortages in food supplies during the winter (Source: FACT SHEET issued November 20, 1991).

In November of 1991, the President

- decided humanitarian food aid would be provided to people in areas of need within the NIS,
- decided private voluntary organizations (PVO's) would be used as the primary source to deliver the food aid to reflect the spirit of the people of the U.S., and
- established a target of \$165 million of USDA resources to support this initiative.

About This Report

This report contains information about USDA's efforts in providing food assistance to NIS.

Executive Summary

USDA's Food Assistance Efforts (FAE's)

Based on the President's decisions, USDA created and implemented a humanitarian food assistance program on a grant basis for NIS, the first such effort since Herbert Hoover's in the 1920's.

To accomplish the food assistance effort (FAE) in early 1992 the USDA signed

- Section 416 agreements, and
- Food for Progress agreements

worth nearly \$103 million with 11 PVO's to cover the purchase of humanitarian aid commodities and their shipment to the NIS.

The challenge was formidable because

- the goal was to have the food delivered within 6 months from the signing of the agreement,
 - USDA personnel had little direct experience in such grant food aid programs since food aid grant programs were previously handled by AID,
 - no individual or organization had previous experience in providing food assistance in NIS,
 - the people of NIS had no experience in receiving assistance from the "West",
 - transportation of the food to the targeted areas in NIS was difficult because of poor infrastructure,
 - viable distribution channels within NIS had to be established, and
 - the need for fraud avoidance, and security for commodities and personnel was of paramount importance.
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Executive Summary

Food Assistance Focus

To accomplish the President's goal of providing humanitarian aid, a decision was made to

- focus, as much as possible, on programs which could provide food directly to the people in NIS who were in need (e.g. infants, lactating mothers, hospitals, etc.),
 - enter into agreements with PVO's to support such food assistance activities avoid the appearance of American military involvement, and
 - maximize existing NIS nongovernment organizations.
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Initial Planning For The FAE's

Initial planning included

- establishment of an internal United States Government (USG) interagency group (to coordinate the FAE)
 - identification of PVO's with experience in delivering food to people in developing countries (to find experience closest to the anticipated NIS FAE), and
 - meetings with representatives of PVO's and transportation agents to discuss the plans for FAE.
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Entering Into Agreements With PVO's

FAS approved agreements with PVO's who possessed food aid experience. Agreements with PVO's were signed as follows:

- First agreement - Signed in late December 1992 to provide assistance to people in Armenia
 - Other agreements - Signed in January and February 1992
 - Last agreement was signed with Sovereign Military Order of Malta on July 8, 1992
-

Executive Summary

Agreement Amounts And Estimated Transportation Costs	<p>The agreements signed with PVO's provided for</p> <ul style="list-style-type: none">• a total of 112,200 metric tons of food commodities,• an estimated commodity value of \$103,234,159, and• an estimated \$43,500,000 associated transportation cost to deliver the commodities.
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Conclusion	<p>USDA successfully delivered food to recipients in NIS in the face of difficult circumstances and many obstacles. This was accomplished by</p> <ul style="list-style-type: none">• management oversight, cooperation, team work, and coordination of FAE domestically and in NIS,• development of an automated tracking system within 3 weeks,• a dedicated USDA staff with a "can do attitude", and• the cooperation of PVO's and transportation entities. <p>The compressed time schedule for delivering food to NIS in some cases impacted the ability of USDA to</p> <ul style="list-style-type: none">• perform the best job of PVO agreement administration which resulted in disparate cost between PVO's for similar programs,• acquire sufficient ADP and human resources to administer the program in the most efficient manner,• make the best decisions on acquisition of commodities, and• acquire the most economical means of transportation.
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PART I

**SUMMARY OF USDA’S FOOD ASSISTANCE EFFORT
TO NEWLY INDEPENDENT STATES**

About PART 1

This **PART** contains information on

- groups targeted for assistance
- NIS Republics targeted for assistance
- authorities used to provide assistance
- PVO’s involved in the FAE
- PVO agreements.

In This PART

This **PART** contains information about the topics in the table below.

Topic	Page Number
Summary of USDA’s 1992 Humanitarian Aid Agreements With Private Voluntary Organizations (PVO’s) in Newly Independent States	2-2
Summary of 1992 Food Aid Agreements With Private Voluntary Organizations (PVO’s)	2-3

Summary of USDA's 1992 Humanitarian AID Agreements With Private Voluntary Organizations (PVO's) in Newly Independent States

This table contains the introduction to the summary of USDA's food assistance efforts (FAE) to the Newly Independent States (NIS).				
Target of FAE	Targeted Republics	Authorities Used	PVO's Used	Acronym
<ul style="list-style-type: none"> Very needy people living in NIS 	<ul style="list-style-type: none"> Armenia Belarus Georgia Kazakhstan Russia Turkmenistan 	<ul style="list-style-type: none"> Section 416(b) Food For Progress <p>Note: All nonfat dried milk butter and butter oil have been programmed under Section 416(b). All remaining commodities went under Food For Progress authority.</p>	<ul style="list-style-type: none"> Adventist Development and Relief Agency International American Jewish Joint Distribution Committee American National Red Cross Brother's Brother Foundation Catholic Relief Services Cooperative for American Relief Everywhere Citihope International Diocese of the Armenian Church in America Mercy Corp International Sovereign Military Order of Malta World Vision Relief and Development Inc. 	<ul style="list-style-type: none"> ADRA AJJDC ANRC BBF CRS CARE Citihope DACA MCI SMOM WVRD

Summary of 1992 Food Aid Agreements With Private Voluntary Organizations (PVO's)

SUMMARY OF 1992 FOOD AID AGREEMENTS WITH PRIVATE VOLUNTARY ORGANIZATIONS (PVO's)				
PVO & Agreement Date	Agreement Amount		Commodities Distributed	Targets for Food Assistance
	MT's	\$ VALUE		
ADRA 2/10/92	12,300	\$11.6 Mil.	<ul style="list-style-type: none"> • nonfat dried milk (NFDM) • vegetable oil • rice • peas • beans • lentils • bulgur 	<ul style="list-style-type: none"> • pregnant and lactating women • children under 5 yrs. of age • pensioners • elderly • hospitals • senior citizens homes • orphanages • prisons
				<p>ADRA's agreements with USDA were under Food for Progress and Section 416(b).</p> <p>The monitoring of commodity distribution was to be carried out jointly by</p> <ul style="list-style-type: none"> • ADRA field distribution supervisors, a representative of the participating Government social services agency • a distribution committee made up of leaders from the beneficiary community.
AJJDC 2/5/92	6,280	7.0 Mil.	<ul style="list-style-type: none"> • NFDM • rice • vegetable oil • peas • beans • evapor. milk 	<ul style="list-style-type: none"> • elderly • large families • home-bound individuals • individuals unable to stand in food lines
				<p>AJJDC's objective was to</p> <ul style="list-style-type: none"> • expand their established food assistance program by providing emergency food packages delivered directly to homes • institute door-to-door delivery of an estimated 541,000 packages to individuals who are home-bound or unable to stand in food lines. <p>Note: AJJDC augmented the distribution from individuals to well established public institutions approved by CCC.</p>

Summary of 1992 Food Aid Agreements With Private Voluntary Organizations (PVO's)

SUMMARY OF 1992 FOOD AID AGREEMENTS WITH PRIVATE VOLUNTARY ORGANIZATIONS (PVO's)					
PVO & Agreement Date	Agreement Amount		Commodities Distributed	Targets for Food Assistance	Comments
	MT's	\$ VALUE			
ANRC 3/6/92	6,100	12.5 Mil.	<ul style="list-style-type: none"> NFDM infant formula rice wheat flour vegetable oil lentils 	<ul style="list-style-type: none"> children under 2 orphans elder disabled 	<p>ANRC utilized</p> <ul style="list-style-type: none"> an existing network of the Turkmenistan Red Crescent and Ministry of Social Security nurses/social workers to reach approximately 7,000 home-bound elderly the Ministry of Health's extensive network of milk kitchens to distribute infant formula to all mothers with children under the age of 1 the state store system to distribute NFDM to children 1 to 2 years of age. <p>ANRC established it's main logistics base in Ashkhabad, where initial consignments were delivered for distribution throughout the Republic of Turkmenistan.</p>
BBF 2/10/92 & 1/13/92	11,770	14.0 Mil.	<ul style="list-style-type: none"> NFDM butter oil infant formula vegetable oil beans peas wheat flour rice 	<ul style="list-style-type: none"> hospitals orphanages schools elderly handicapped 	<p>BBF worked in conjunction with</p> <ul style="list-style-type: none"> the Russian Orthodox Church two local private voluntary organizations, the Russian Orthodox Church and the Southern Baptist Convention. <p>Deliveries were made to social service institutions including hospitals, orphanages, schools and homes for the elderly and handicapped.</p>

Summary of 1992 Food Aid Agreements With Private Voluntary Organizations (PVO's)

SUMMARY OF 1992 FOOD AID AGREEMENTS WITH PRIVATE VOLUNTARY ORGANIZATIONS (PVO's)				
PVO & Agreement Date	Agreement Amount		Commodities Distributed	Targets for Food Assistance
	MT's	\$ VALUE		
CRS 2/6/92	30,000	40.0 Mil.	<ul style="list-style-type: none"> • NFDM • butter oil • infant formula • vegetable oil • peas • wheat flour • rice 	<ul style="list-style-type: none"> • hospitals • schools • orphanages • elderly
				<p>CRS objective was to</p> <ul style="list-style-type: none"> • deliver food to institutions such as hospitals, schools, orphanages and homes for the elderly • distribute some of the commodities through soup kitchens which were being set up in the region • make the best possible use of sealed containers, door-to-door bills of lading, and intensive monitoring to reduce potential losses. <p>Warehouse use, and adequate security at the warehouses was to be provided free of charge by the Governments of each city.</p>
CARE 3/20/92	18,500	15.0 Mil.	<ul style="list-style-type: none"> • NFDM • vegetable oil • beans • wheat flour 	<ul style="list-style-type: none"> • children • elderly • handicapped • other at risk population
				<p>Institutions received priority due to ease of distribution and monitoring.</p> <p>CARE worked in conjunction with the</p> <ul style="list-style-type: none"> • Commission on Humanitarian Assistance regarding commodity transport, administrative services, procurement, and other operational requirements • existing social service systems (to help enlist the aid of school aged volunteers) <p>to assist in the distribution of commodities.</p>

Summary of 1992 Food Aid Agreements With Private Voluntary Organizations (PVO's)

SUMMARY OF 1992 FOOD AID AGREEMENTS WITH PRIVATE VOLUNTARY ORGANIZATIONS (PVO's)					
PVO & Agreement Date	Agreement Amount		Commodities Distributed	Targets for Food Assistance	Comments
	MT's	\$ VALUE			
CITIHOPE 3/23/92	3,550	4.5 Mil.	<ul style="list-style-type: none">• NFDM• infant formula• rice• wheat flour• vegetable oil	<ul style="list-style-type: none">• needy <p>Note: See comments in next column.</p>	<p>Citihope targeted 125,000 families and 66 institutions in the Chernobyl Crescent region of the Republic of Belarus because of severe and persistent food shortages which are a result of the radiation damage to the region's food production infrastructure.</p> <p>Commodities were distributed to individual families by approximately 60 U.S. citizen volunteers, who were recruited and trained by Citihope.</p> <p>Seventy percent of the commodities were repackaged into family size distribution containers, and the remaining thirty percent repackaged for selected institutions.</p>
DACA 12/20/91	13,600	18.0 Mil.	<ul style="list-style-type: none">• NFDM• butter• butter oil• bulger wheat	<ul style="list-style-type: none">• protein deficient population	<p>DACA targeted the severely affected protein deficit populations in Armenia.</p> <p>The distribution program was implemented by local Government officials, who delivered the commodities to distribution points based on an at-risk population list agreed to by the DACA.</p>

Summary of 1992 Food Aid Agreements With Private Voluntary Organizations (PVO's)

SUMMARY OF 1992 FOOD AID AGREEMENTS WITH PRIVATE VOLUNTARY ORGANIZATIONS (PVO's)				
PVO & Agreement Date	Agreement Amount		Commodities Distributed	Targets for Food Assistance
	MT's	\$ VALUE		
MCI 4/3/92	7,000	10.0 Mil.	<ul style="list-style-type: none"> wheat flour butter oil 	<ul style="list-style-type: none"> direct feeding programs
<p>The wheat flour donated under the Food for Progress agreement was distributed to direct feeding programs in Alma Ata via the Government Ministries of Social Welfare, Health and Education.</p> <p>MCI monitored the distribution of wheat flour to the end user in conjunction with SENIM, a private voluntary organization operating in the health and food commodity sector in Kazakhstan.</p> <p>The butter oil donated under the Section 416(b) agreement was monetized in Kazakhstan via Government channels. The Kazakh Governmental Unified Cooperative of the Food Industry sold the butter oil to dairy processing plants which were in need of the commodity.</p> <p>The monies generated from the sales were used to</p> <ul style="list-style-type: none"> pay for the distribution of wheat flour donated under the above-mentioned Food for Progress agreement support a primary health care training program in Kazakhstan. 				

Summary of 1992 Food Aid Agreements With Private Voluntary Organizations (PVO's)

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PVO & Agreement Date	Agreement Amount		Commodities Distributed	Targets for Food Assistance	Comments
	MT's	\$ VALUE			
SMOM 7/8/92	100	208.5 tho.	<ul style="list-style-type: none"> NFDM 	<ul style="list-style-type: none"> mothers young children 	<p>Serious food shortages throughout Georgia as a result of the recent civil war and civil unrest has disproportionately hurt mothers and young children. The U.S. Department of Defense air lifted the commodity to Georgia free of charge. The SMOM delivered the NFDM to</p> <ul style="list-style-type: none"> destitute individuals at established clinics day care centers schools coordinated through Children's Hospital in Georgia.
WVRD 2/5/92	3,000	3.7 Mil	<ul style="list-style-type: none"> NFDM vegetable oil beans 	<ul style="list-style-type: none"> homeless displaced unemployed sick elderly 	<p>Distribution was accomplished as follows:</p> <ul style="list-style-type: none"> The Armenian Assembly of America and the Armenian Missionary Association were consulted in an advisory role regarding distribution points. The free distribution program was assisted by Gtutuin, a local nongovernmental organization which delivered the commodities to distribution points. Village committees were responsible for distributing the rations to individual families.
Total	112,190	\$136.5 Mil.			

PART II

COMMODITY DISTRIBUTION TO NIS

About PART II

This **PART** contains information on

- where commodities were distributed
 - types and amounts of commodities versus the agreement amounts
 - projected commodity cost
 - projected freight cost.
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In This PART

This **PART** contains information about the topics in the table below.

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Commodity Distribution to NIS

PVO	Where Commodities Distributed		Agreement Amount to Lift	Actually Lifted	Projected Commodity Cost	Projected Freight Cost
	Destination City	Commodity				
ADRA	Chelyabinsk	Lentils	1,340	1,340	\$647,161	
	Chelyabinsk	Nonfat Dried Milk (Non - Fort)	1,542	1,539	\$2,621,400	
	Chelyabinsk	Rice bagged	5,680	5,679	\$1,675,924	
	Chelyabinsk	SF Bulgur	2,720	2,720	\$644,014	
	Chelyabinsk	Vegetable Oil	1,000	780	\$716,369	
	Ekaterinburg (Sverdlovsk)	Nonfat Dried Milk (Non - Fort)	18	19	\$30,600	
		SUBTOTALS	12,300	12,077	\$6,335,468	\$5,841,750
AJJDC	St. Petersburg	Beans	1,380	1,381	\$830,218	
	St. Petersburg	Evap. Milk	650	644	\$623,709	
	St. Petersburg	Nonfat Dried Milk (Non - Fort)	935	928	\$1,589,500	
	St. Petersburg	Peas green whole	490	490	\$270,393	
	St. Petersburg	Rice bagged	935	935	\$367,015	
	St. Petersburg	Vegetable Oil	1,890	1,890	\$1,347,513	
		SUBTOTALS	6,280	6,268	\$5,028,347	\$1,579,290
ANRC	Ashkhabad	Infant Formula	1,200	1,312	\$6,882,320	
	Ashkhabad	Lentils	490	490	\$224,964	
	Ashkhabad	Nonfat Dried Milk (Non - Fort)	1,800	1,794	\$3,060,000	
	Ashkhabad	Rice bagged	2,000	1,992	\$674,567	
	Ashkhabad	Vegetable Oil	300	300	\$230,478	
	Ashkhabad	Wheat Flour (All Purpose)	310	300	\$79,040	
		SUBTOTALS	6,100	6,188	\$11,151,369	\$2,497,950

Commodity Distribution to NIS

PVO	Where Commodities Distributed		Agreement Amount to Lift	Actually Lifted	Projected Commodity Cost	Projected Freight Cost
	Destination City	Commodity				
BBF	Chelyabinsk	Butteroil	201	200	\$371,850	
	Chelyabinsk	Lentils	209	206	\$101,606	
	Chelyabinsk	Nonfat Dried Milk (Non - Fort)	278	278	\$472,600	
	Chelyabinsk	Rice bagged	585	585	\$219,639	
	Chelyabinsk	Vegetable Oil	218	197	\$155,241	
	Chelyabinsk	Wheat Flour (All Purpose)	582	582	\$148,391	
	Kaliningrad	Butteroil	50	50	\$92,500	
	Kaliningrad	Lentils	106	106	\$51,532	
	Kaliningrad	Nonfat Dried Milk (Non - Fort)	18	18	\$30,600	
	Kaliningrad	Rice bagged	101	101	\$37,921	
	Kaliningrad	Vegetable Oil	50	45	\$35,606	
	Kaliningrad	Wheat Flour (All Purpose)	498	498	\$126,973	
	Moscow	Butteroil	547	553	\$1,011,950	
	Moscow	Infant Formula	100	100	\$573,857	
	Moscow	Lentils	594	594	\$288,776	
	Moscow	Nonfat Dried Milk (Non - Fort)	807	808	\$1,371,900	
	Moscow	Rice bagged	1,509	1,509	\$566,555	
	Moscow	Vegetable Oil	500	505	\$356,056	
	Moscow	Wheat Flour (All Purpose)	1,495	1,495	\$381,175	
	St. Petersburg	Nonfat Dried Milk (Non - Fort)	1,767	1,766	\$3,003,900	
	Ufa	Butteroil	201	200	\$371,850	
	Ufa	Lentils	191	191	\$92,856	
	Ufa	Nonfat Dried Milk (Non - Fort)	180	180	\$306,000	
	Ufa	Rice bagged	405	406	\$152,058	
	Ufa	Vegetable Oil	153	153	\$108,953	
	Ufa	Wheat Flour (All Purpose)	425	425	\$108,361	
SUBTOTALS			11,770	11,751	\$10,538,706	\$3,699,412

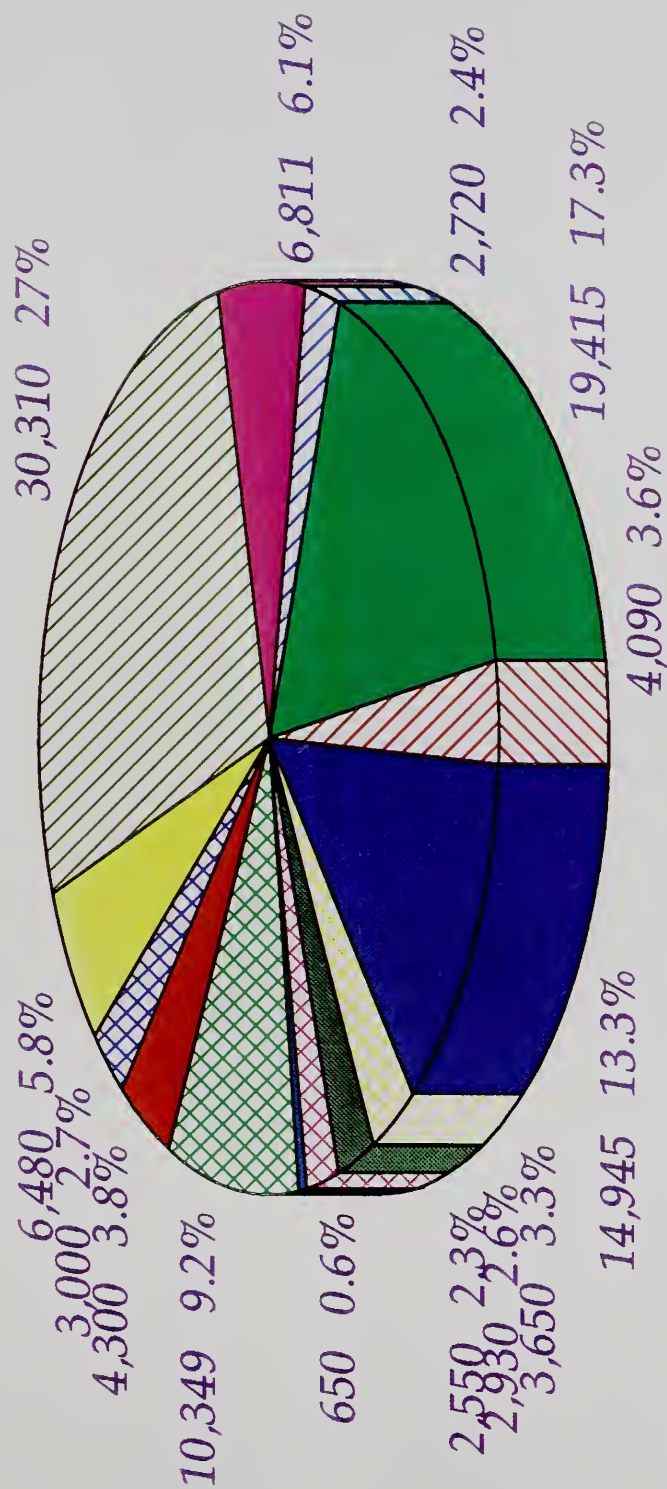
Commodity Distribution to NIS

PVO	Where Commodities Distributed		Agreement Amount to Lift	Actually Lifted	Projected Commodity Cost	Projected Freight Cost
	Destination City	Commodity				
CRS		Butteroil	1,472		\$2,723,200	
		Infant Formula	240	91	\$1,310,890	
		Nonfat Dried Milk (Fort)	818	15	\$1,390,600	
		Nonfat Dried Milk (Non - Fort)	2,195		\$3,731,500	
		Peas green whole	1,293		\$713,506	
		Rice bagged	2,645		\$993,068	
		Wheat Flour (All Purpose)	3,352		\$854,648	
		Butteroil	247	251	\$456,950	
	Birobidzhan	Infant Formula	105	105	\$573,514	
	Birobidzhan	Nonfat Dried Milk (Fort)	65	65	\$110,500	
	Birobidzhan	Nonfat Dried Milk (Non - Fort)	369	369	\$627,300	
	Birobidzhan	Peas green whole	1,934	1,931	\$1,067,225	
	Birobidzhan	Rice bagged	254	254	\$95,365	
	Birobidzhan	Wheat Flour (All Purpose)	3,707	3,411	\$945,161	
	Khabarovsk	Butteroil	536	536	\$991,600	
	Khabarovsk	Infant Formula	256	256	\$1,398,282	
	Khabarovsk	Nonfat Dried Milk (Fort)	427	427	\$725,900	
	Khabarovsk	Nonfat Dried Milk (Non - Fort)	578	571	\$982,600	
	Khabarovsk	Peas green whole	212	189	\$116,986	
	Khabarovsk	Rice bagged	1,688	1,648	\$633,761	
	Khabarovsk	Wheat Flour (All Purpose)	220	220	\$56,093	
	Magadan	Butteroil	254	254	\$469,900	
	Magadan	Infant Formula	93	93	\$507,970	
	Magadan	Nonfat Dried Milk (Non - Fort)	689	689	\$1,171,300	
	Magadan	Rice bagged	1,160	392	\$435,523	
	Nakhodka	Butteroil	77	77	\$142,450	
	Nakhodka	Nonfat Dried Milk (Fort)	611	614	\$1,038,700	
	Nakhodka	Peas green whole	34	32	\$18,762	
	Nakhodka	Wheat Flour (All Purpose)	221	221	\$56,348	
	Vladivostok	Butteroil	1,014	1,014	\$1,875,900	
	Vladivostok	Infant Formula	206	206	\$1,125,180	
	Vladivostok	Nonfat Dried Milk (Fort)	1,129	1,129	\$1,919,300	
	Vladivostok	Nonfat Dried Milk (Non - Fort)	319	304	\$542,300	
	Vladivostok	Peas green whole	127	127	\$70,081	
	Vladivostok	Rice bagged	1,453	1,453	\$545,530	
		SUBTOTALS	30,000	16,944	\$30,417,893	\$13,500,000

Commodity Distribution to NIS

PVO	Where Commodities Distributed		Agreement Amount to Lift	Actually Lifted	Projected Commodity Cost	Projected Freight Cost
	Destination City	Commodity				
CARE	Ekaterinburg (Sverdlovsk)	Beans	1,500	1,044	\$858,083	
	Ekaterinburg (Sverdlovsk)	Nonfat Dried Milk (Non - fort)	1,000	850	\$1,700,000	
	Ekaterinburg (Sverdlovsk)	Vegetable Oil	1,000	995	\$768,259	
	Ekaterinburg (Sverdlovsk)	Wheat Flour (All Purpose)	15,000	12,306	\$4,437,307	
		SUBTOTALS	18,500	15,195	\$7,763,649	\$6,253,000
CitiHope	Belarus (Various)	Infant Formula	350	458	\$1,911,714	
	Belarus (Various)	Nonfat Dried Milk (Non - fort)	200	200	\$340,000	
	Belarus (Various)	Rice Bagged	1,000	1,006	\$375,192	
	Belarus (Various)	Vegetable Oil	500	854	\$368,620	
	Belarus (Various)	Wheat Flour (All Purpose)	1,500	1,516	\$428,615	
		SUBTOTALS	3,550	4,034	\$3,424,141	\$1,093,400
DACA	Yerevan	Beans	1,800	1,800	\$1,029,700	
	Yerevan	Bulgur	3,000	3,000	\$629,100	
	Yerevan	Butter	4,300	1,113	\$6,880,000	
	Yerevan	Butteroil	1,750	1,724	\$3,237,500	
	Yerevan	Nonfat Dried Milk (Non - fort)	2,150	2,153	\$3,655,000	
		Vegetable Oil	600	600	\$455,792	
		SUBTOTALS	13,600	10,390	\$15,887,092	\$5,962,785
MCI		Butteroil	800		\$1,480,000	
		Wheat Flour (All Purpose)	3,000	3,000	\$764,900	
		Butteroil	3,200	504	\$5,920,000	
	Alma Alta	SUBTOTALS	7,000	3,504	\$8,164,900	\$1,596,000
SMOM		Nonfat Dried Milk (Non - fort)	100	91	\$170,000	
	Tbilisi		100	91	\$170,000	- 0 -
WVRD	Yerevan	Beans	1,800	1,796	\$1,029,700	
	Yerevan	Nonfat Dried Milk (Non - fort)	600	598	\$1,020,000	
	Yerevan	Vegetable Oil	600	600	\$427,782	
		SUBTOTALS	3,000	2,994	\$2,477,482	\$1,276,350
		GRAND TOTALS	112,200	89,436	\$101,359,048	\$43,299,937

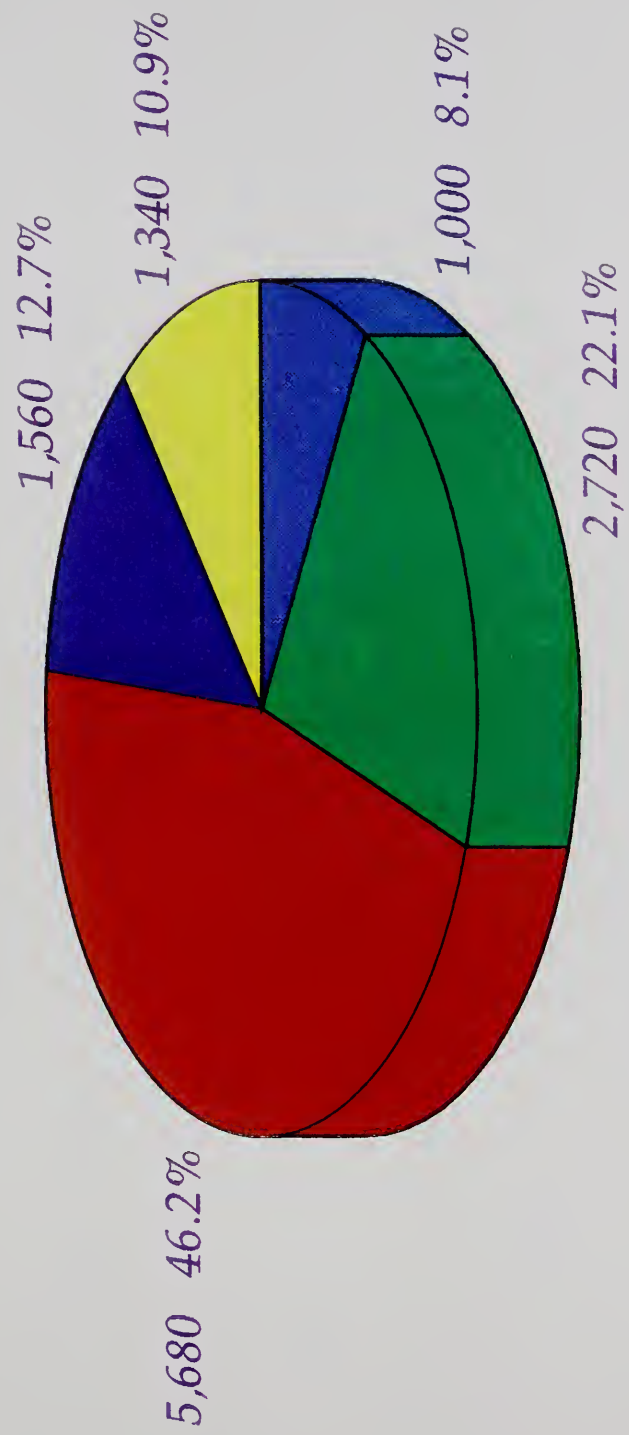
All PVO's



Agreement Commodities (MT)

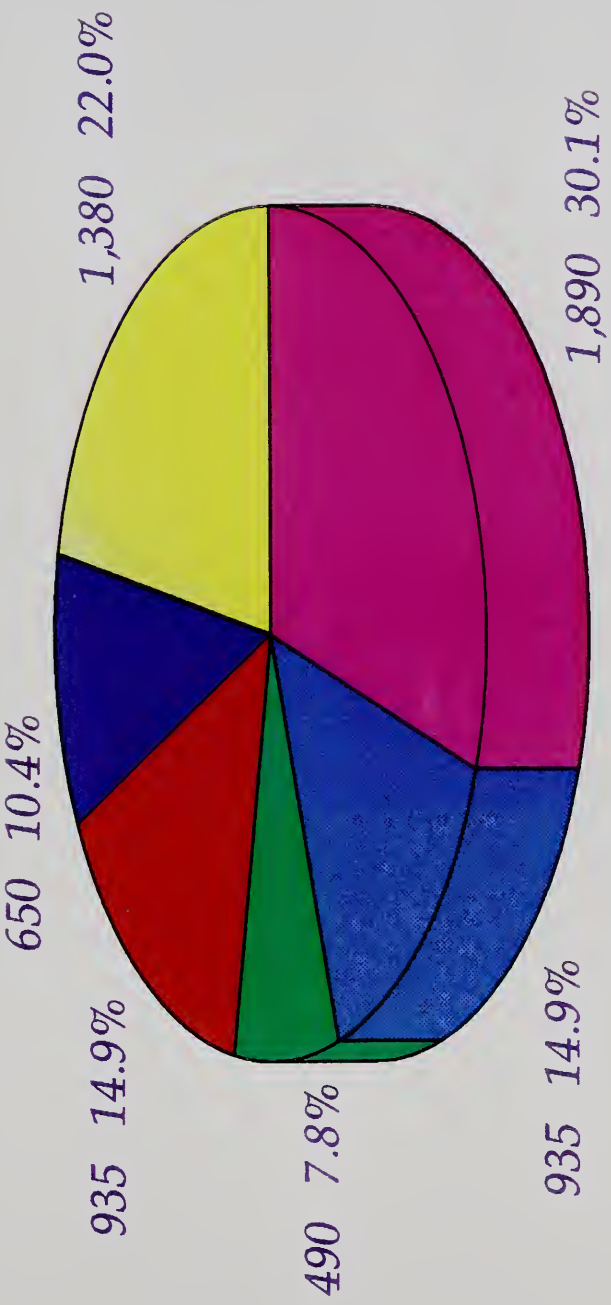
Beans	Bulgar	Butter	Butteroil	Evap. Milk	Infant Formula	Lentils
NFDM (Fortified)	NFDM (Non-Fortified)	Pens green whole	Rice bagged	SF Bulgur	Vegetable Oil	Wheat Flour

USDA/ASCS/DACO September 30, 1992



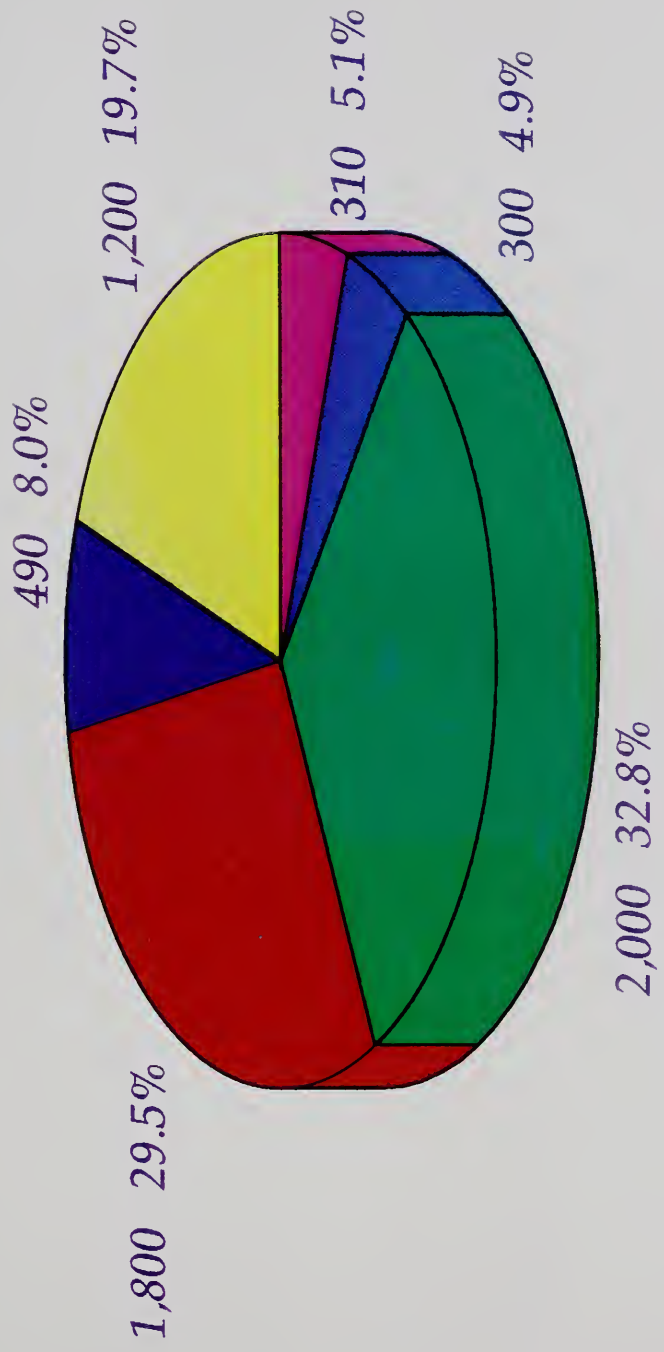
Agreement Commodities (MT)

- Lentils
- SF Bulgur
- NFD (Non-fortified)
- Vegetable Oil
- Rice bagged



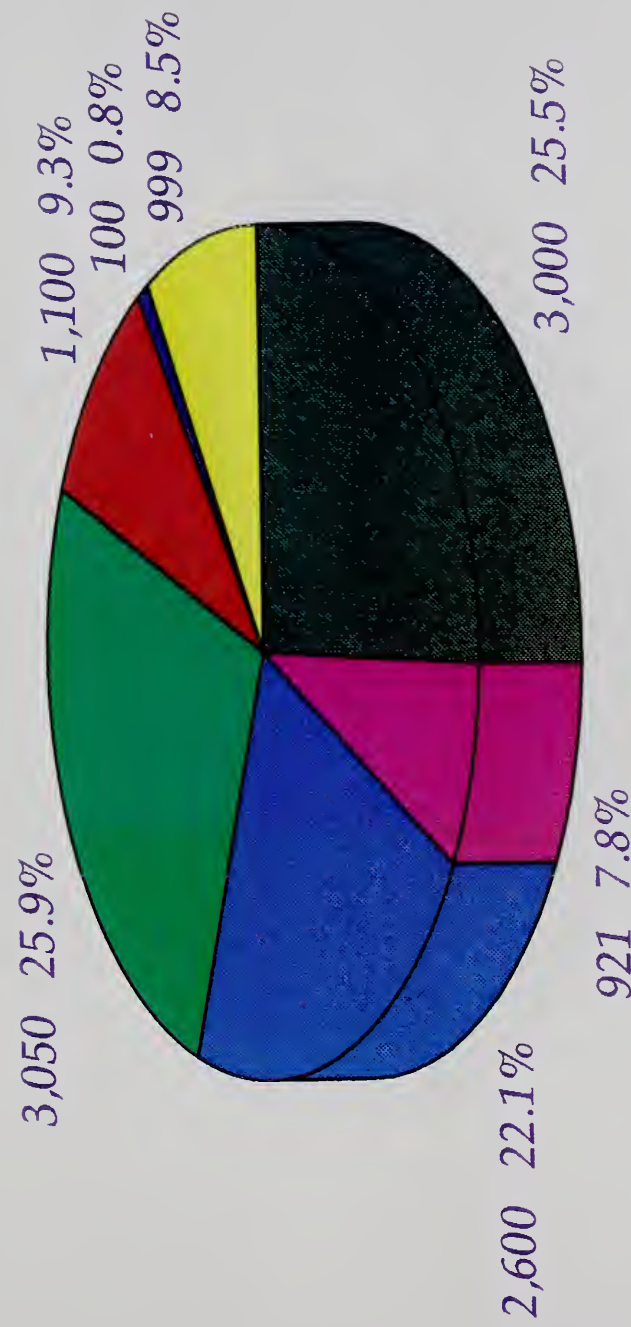
Agreement Commodities (MT)

- Beans
- Evap. Milk
- NFDM (Non-fortified)
- Peas green whole
- Rice bagged
- Rice bagged
- Vegetable Oil



Agreement Commodities (MT)

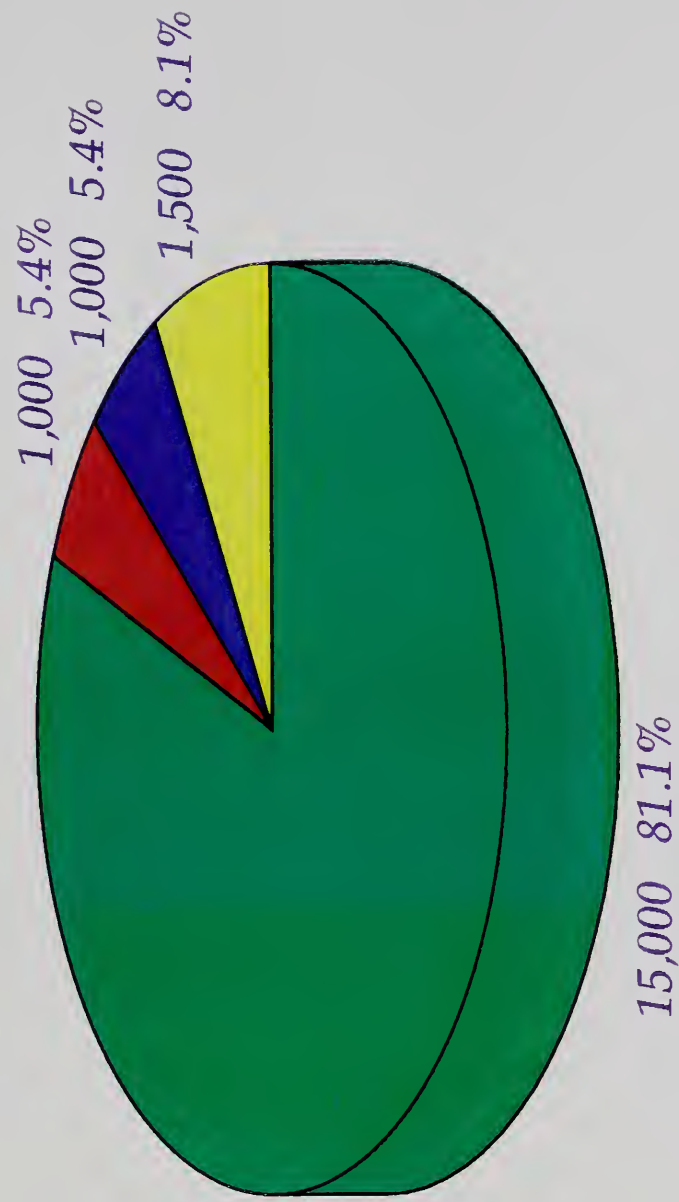
- | | | | | | |
|---|----------------|---|---------------|---|----------------------|
|  | Infant Formula |  | Lentils |  | NFDM (Non-fortified) |
|  | Rice bagged |  | Vegetable Oil |  | Wheat Flour |



Agreement Commodities (MT)

- Butteroil
- Infant Formula
- Rice bagged
- Vegetable Oil
- Lentils
- NFDM (Non-fortified)
- Wheat Flour

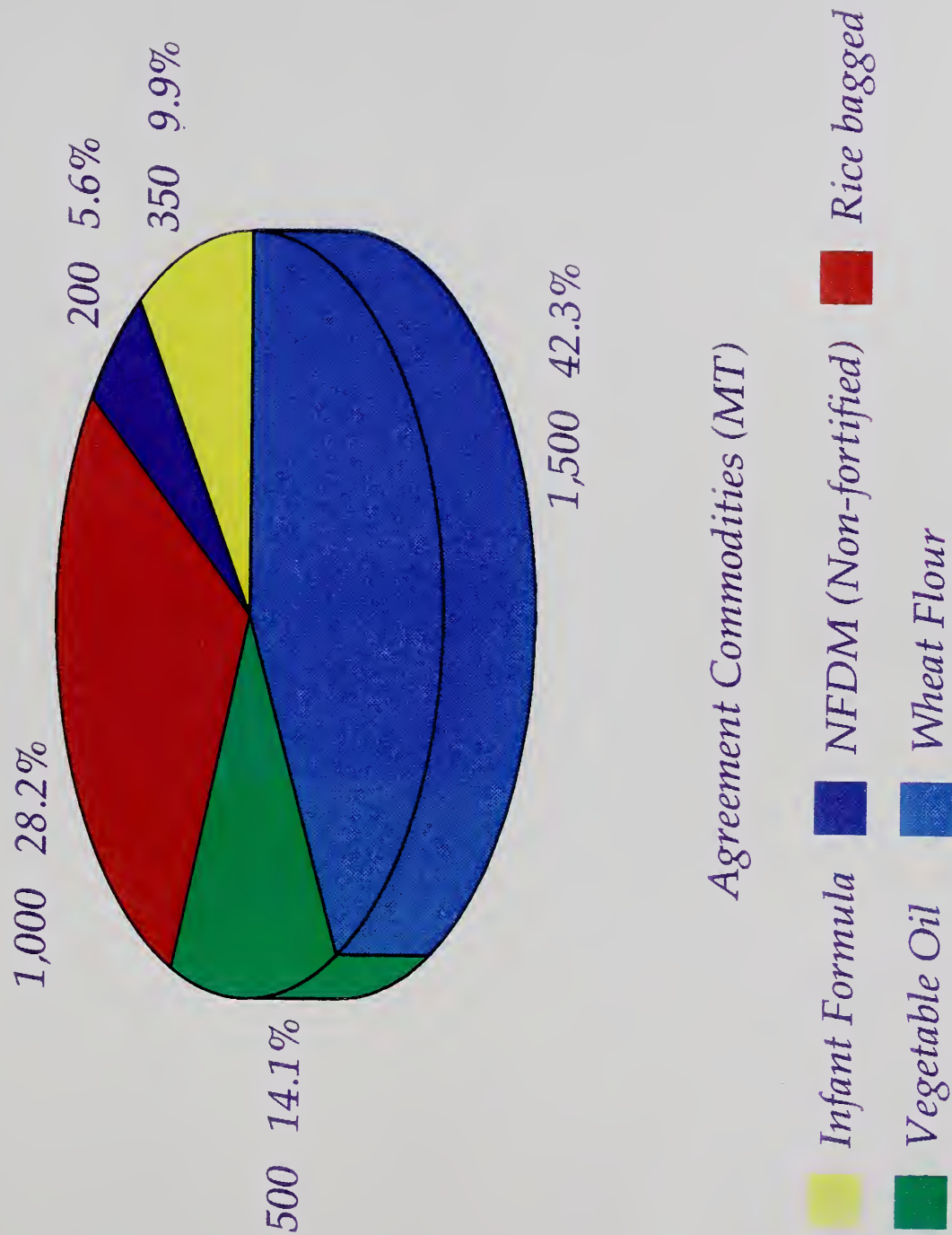
CARE



Agreement Commodities (MT)

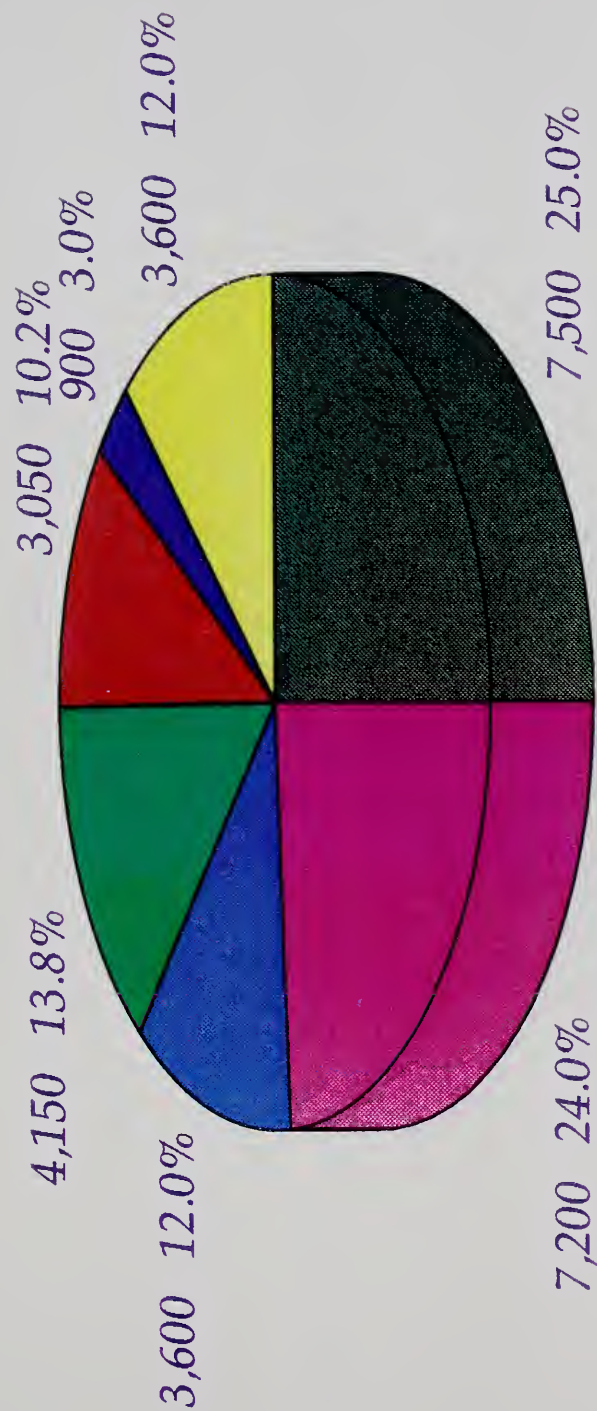


CitiHope



Agreement Commodities (MT)

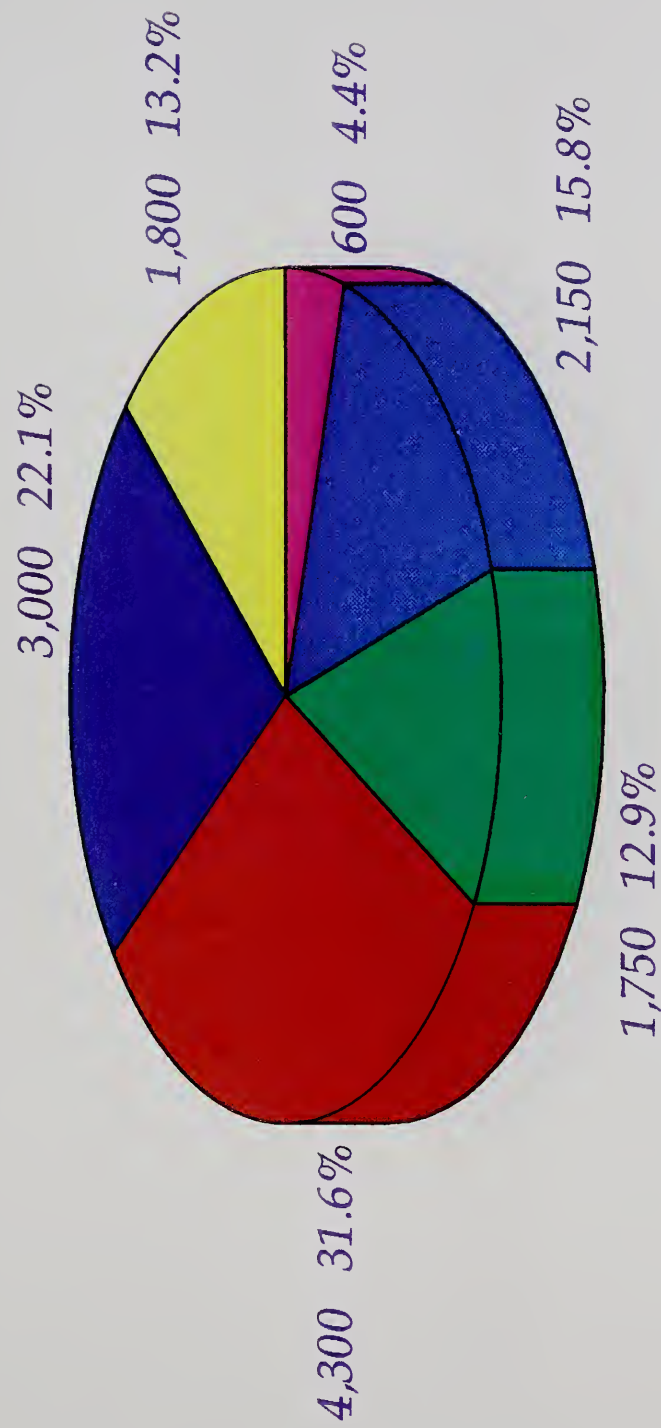
CRS



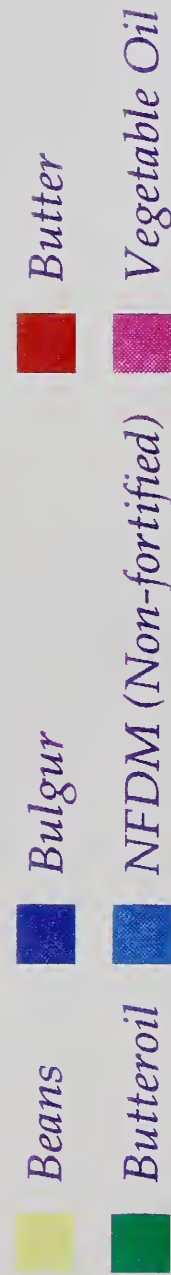
Agreement Commodities (MT)

- Butteroil
- Peas green whole
- Infant Formula
- NFD (Fortified)
- NFD (Non-fortified)
- Rice bagged
- Wheat Flour

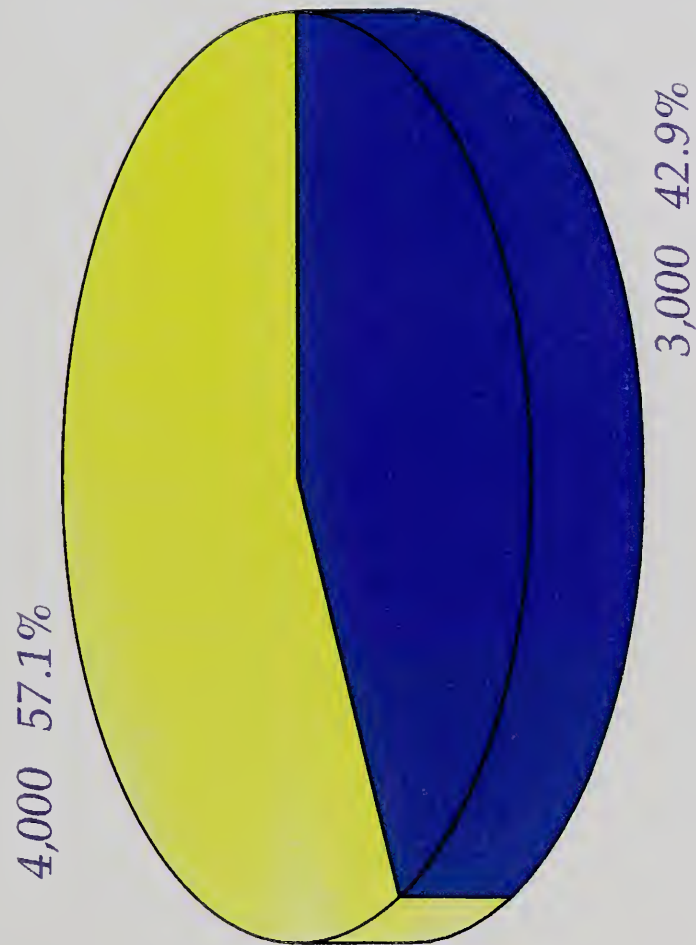
DACA



Agreement Commodities (MT)



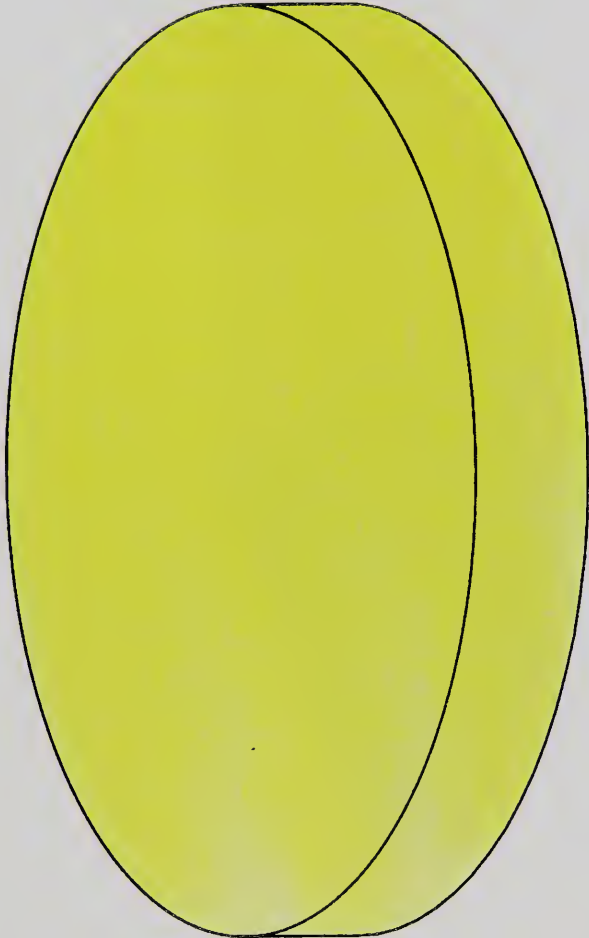
Commodity Distribution to NIS



Agreement Commodities (MT)

Butteroil Wheat Flour

SMOM



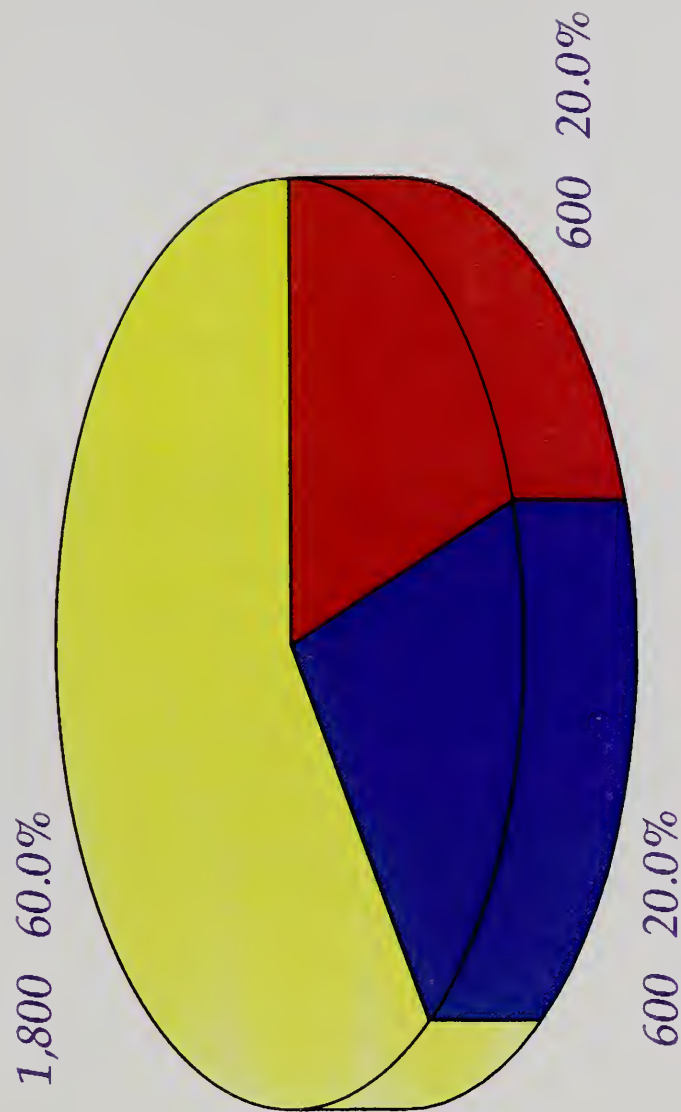
100 100.0%

Agreement Commodities (MT)

NFD (Non-fortified)

Commodity Distribution to NIS

WVRD



Agreement Commodities (MT)

Beans NFD (Fortified) Vegetable Oil

PART III

PERFORMANCE REPORT

About PART III

This PART contains a narrative report on the

- performance of PVO's
 - performance of the transportation companies
 - experience of the USDA's in-country representatives within NIS.
-

In This PART

This PART contains information about the topics in the table below.

Topic	Page Number
Private Voluntary Organizations Performance Report and Review	4-2
Transportation Companies Performance Review to Russia	4-9
Effect on Russian Food Distribution Sector	4-15
USDA Representative In-Country Experience Within The Newly Independent States	4-18

PRIVATE VOLUNTARY ORGANIZATIONS PERFORMANCE REPORT AND REVIEW

Background

In November of 1991, the President decided

- humanitarian food aid would be provided to people in areas of need in the NIS
- decided private voluntary organizations (PVO's) would be used as the primary source to deliver the food aid to reflect the spirit of the people of the U.S.

To accomplish the President's goal, USDA decided to provide humanitarian aid, a decision was made to

- focus, as much as possible, on programs directed at the people having the greatest need within NIS
- enter into agreements with PVO's to support such feeding activities, as much as possible.

Beginning in February 1992 and ending July 1992 USDA signed agreement with PVO's providing for

- a total of 112,200 metric tons of food commodities
 - an estimated commodity value of \$103,234,159 million.
-

Brainstorming Session by USDA

On September 9-12, 1992, USDA held a brainstorming session with representatives of all entities involved in the FAE to evaluate the program's success at meeting its objectives.

The agenda spanned discussions of logistical problems, review of USDA/U.S. Government support and finally, an analysis of the impact of PVO programming.

About This Document

This document contains information reported by PVO's in the brainstorming session about their experience in FAE.

Private Voluntary Organizations Performance Report and Review

PVO Attendance

Ten private voluntary organizations (PVO's) attended the morning session on September 10. Representatives from each PVO provided comments and aired specific concerns during brainstorming sessions.

PVO Food Assistance Focus

The FAE by PVO's were generally directed at high-risk groups of the greatest need as a result of the collapse of the Soviet social-welfare system.

World Vision and The Armenian Church provided emergency assistance to areas torn by civil war and ethnic strife.

How PVO's Trained Their In-country Personnel

The question of how PVO's trained their in-country personnel to function within NIS was discussed with the PVO representatives at the facilitation session. The following are a summary of their comments:

- Used an experience staff in providing foreign FAE to train local NIS team before arrival of commodities within NIS.
 - Used outside consultants to provide on site training.
 - Used Russian based experienced personnel to train new staff and took new staff on site to get actual experience.
 - Citihope International conducted detailed pre-planning and also used consultants to train and provided personnel.
-

Obstacles Faced by PVO's

GENERAL PROBLEMS EXPERIENCED BY PVO'S

The PVO representatives reported many problems they experienced in FAE. Many underscored the difficulties of working in an environment devoid of infrastructure and market oriented services.

Chief among the problems experienced by PVO's was the uncertainty factor in planning for and receiving deliveries of commodities.

Private Voluntary Organizations Performance Report and Review

Obstacles Faced by PVO's, Cont'd.

In all cases, security proved to be a major concern, although precautions such as containerization of commodities and method of transport reduced risk considerably.

The diversity of PVO programs and approaches aptly reflected the variations in the regions served by the food assistance effort. PVO's adapted to

- changing local conditions
- uncertain delivery schedules
- need to cooperate with local authorities to determine identification of recipients
- transportation difficulties.

In the final analysis, the above conditions resulted in distinct approaches by the respective PVO's which impacted many administrative decisions such as

- staffing
- method of transportation (e.g. truck vs. rail)
- method of food delivery (e.g. packaging), etc.

that were ultimately reflected in the **wide variance in PVO's operating costs.**

LOGISTICAL PROBLEMS EXPERIENCED BY PVO'S

The most frequently cited logistical problems reported by PVO's are the following:

- Lack of equipment "in-country"
 - Lack of infrastructure in NIS
 - Lack of cooperation from local Government officials
 - Lack of familiarity with process of distributing food aid
-

Private Voluntary Organizations Performance Report and Review

Obstacles Faced by PVO's, Cont'd.

- Communication lapses between local Government, PVO, and shipping agents
- Insufficient advance notice from USDA to negotiate and fund deliveries
- Difficulties with hiring and managing local labor
- Difficulties in tracking status of commodities during ground transportation
- Overcoming third party interference
- Cultural and language barriers
- Problems with acceptance of commodities
- Inaccurate assessment of capacity of Humanitarian Commission
- Unrealistic time constraints
- Lack of coordination between USDA and PVO's

Overall, the PVO representatives highlighted issues during the meeting which paralleled the major points identified in the CARE Monitoring Activities Report. Some of the issues highlighted are as follows:

- Communication problems between PVO's and shipping agents, exacerbated by the late arrival of some commodities, appeared to plague the system.
- Government officials and third parties, such as foreign Governments holding up the shipping of commodities, severely stressed program resources and staff.
- Coordinating and cooperating with local Governments also added to logistical difficulties for PVO's.

e.g.: In one case, local authorities assigned prisoners as distribution laborers for a PVO distributing food in the area; one indication among many that the Soviet system has not collapsed completely.

Private Voluntary Organizations Performance Report and Review

Obstacles Faced by PVO's, Cont'd.

- Infrastructure constraints also limited the ability of PVO's to function efficiently.

e.g.: Newly privatized warehouses charged exorbitant rates, while in other areas, adequate warehousing and repackaging facilities simply did not exist.

POLITICAL CONSTRAINTS EXPERIENCED BY PVO'S

Political difficulties in NIS, in addition to the logistical constraints, also impeded the delivery of commodities. ADRA mentioned the mafia as a factor in FAE. Other PVO representatives pointed simply to the continued existence of the Soviet bureaucracy as a roadblock. The Soviet system, in a mutated, hybrid form still controls activity, particularly in outlying areas.

While it was hoped that the Russian Humanitarian Commission would be able to make an end-run around the entrenched bureaucracy, CARE indicated that the goals for the Humanitarian Commission had been unrealistic.

Despite the difficulties cited above, the majority of PVO's reported success in fulfilling their contracts.

The PVO's placed most of the responsibility for implementation difficulties on

- shipping agents
 - third party interference
 - endemic conditions within the former Soviet Union.
-

Review of USDA Support/Problems Working with USDA

The PVO's were very complimentary of USDA's performance in the implementation and administration of the food assistance effort. Chief among the compliments paid to USDA by the PVO representatives was appreciation of U.S. Government willingness to allow flexibility in implementing the assistance program. CARE's representative stated that USDA's program was in his view, "one of the best programs ever." In contrast, the representatives alluded to

- major communication and cooperation problems with shipping agents, and
-

Private Voluntary Organizations Performance Report and Review

Review of USDA Support/Problems Working With USDA, Cont'd.

- unanticipated difficulties with transportation.

The situation in Armenia presented immense problems with border states refusing to allow transit of commodities and thwarting relief efforts. While the American Jewish Joint Distribution Committee (JDC) expressed frustration with USDA's handling of reimbursement for expenses, none of the other participants echoed this sentiment. **A more subtle criticism was aimed at U.S. AID for its role in this and other assistance programs.**

The most frequently comments cited concerning USDA's performance as viewed by PVO's are as follows:

- Budgetary integration problems
 - Commodity information consistently high quality
 - USDA flexible and willing to listen to PVO concerns
 - Commodity arrived within three weeks of target date
 - Contract writing was smooth, streamlined and simple
 - USDA/PVO negotiations well executed
 - Good follow-up by USDA
 - Team approach used by USDA throughout process emphasized "partnership"
 - Reduced losses in commodity shipments due to USDA hands-on involvement
 - USDA "in-country" representative and USDA personnel in U.S. maintained open lines of communication for all PVO's
 - USDA willing to accommodate changes in calls forward and willing to accept program innovations
 - Timing slow from the moment of signing contracts to first deliveries
-

Private Voluntary Organizations Performance Report and Review

Indirect Benefit of PVO Programs

A number of questions emerged during the brainstorming session concerning the impact and value of the PVO programs in the NIS. Questions included: Did the PVO food aid program contribute to the creation of a free-market economy in the NIS? Did the food reach those in need?

PVO's reported the following positive indirect benefits of FAE:

- Introduced new commercial concepts to populations
- Aided in developing direct carriers in country
- Created market for private warehouse rental
- Private sector "learning process" developed
- Private individuals gained employment
- Private repackaging industries created
- Local volunteer networks and organizations created
- Private volunteer organization structures and volunteerism modeled
- Concept of "competitive bidding" for PVO contracts introduced

The representatives emphasized the impact of modeling volunteerism and introducing market concepts. However, several admitted that the emerging volunteer sector in all regions will need a great deal of support in the foreseeable future.

In answer to the question of end users, the PVO's reported success in both selection of recipients and delivery to those recipients. With elaborate mechanisms to confirm deliveries, Citihope and others assured USDA of 99 percent success in sending commodities to targeted members of the population.

PVO's Opinion on the Need For FAE

All of the participants reconfirmed the need for food assistance to the NIS be targeted at high-risk social groups.

TRANSPORTATION COMPANIES PERFORMANCE AND REVIEW TO RUSSIA

Ports

With 61 percent of cargoes moving through St. Petersburg, the port experienced moderate difficulty handling the throughput. Although the port is not efficient by Western standards, it has fairly modern container handling equipment and good container management practices. Better container management was hampered by a computer system which can only track about half of the containers in the yard at any one time. The yard is small and the type of straddle carriers used only allow for stacking containers two high. Security was somewhat of a problem but no USDA containers experienced pilferage while at port. Reports of congestion at the port was overstated, however, the facility was constrained from handling traffic efficiently at times.

Riga and Klaipeda were probably the best alternatives to St. Petersburg for carriers who's congestion or costs were a factor. Transit from those ports into Russia appeared to pose no problem.

NOTE: The opening of Kaliningrad next year to commercial traffic should offer yet another alternative, especially to Byelorussian cities.

Ocean Carriers

Sea-Land has more of a history of dealing with Russian transportation operations than Lykes, the only two carriers participating in these humanitarian aid shipments. Sea-Land had been actively working with the Ministry of Railroads on the Trans-Siberian Railroad for nearly 3 years and had access to a substantial number of flatcars to form block trains. The company also is more of a container carrier than Lykes, and containers were often requested by PVO's because of the security factor.

Although Lykes had less experience in Russia than Sea-Land, the company aggressively pursued this traffic. They landed the initial AJJDC cargoes, and delivered the ADRA and CitiHope cargoes to Bremerhaven. Those cargoes were all breakbulk shipments, but the new CARE deliveries to the Urals in containers gave them experience in block train and container delivery in Russia.

Transportation Companies Performance and Review to Russia

Freight Forwarders	<p>Soyuzvneshttrans was once the monopoly freight forwarder of the Soviet Union, but now they had to compete with new freight forwarders establishing themselves in Russia. Sovmortrans was the agent for Sea-Land and arranged both trucking and block trains for the PVO's. Benson did the forwarding for AJJDC to Moscow and St. Petersburg and Kuhne and Nagle designed a good plan for the ADRA truck movement to the Urals. All forwarders did a respectable job of arranging trucking and clearing cargoes through the various customs points.</p> <hr/>
Trucking	<p>Overall, the availability of trucks was not a problem, nor were supplies of diesel fuel. Fuel was reported to be in short supply at State-level ruble prices, but seemed to be more plentiful if hard currency was available. The PVO's were paid in hard currency which made hard currency available to the participating carriers when they needed it for fuel purchases.</p> <p>It was also helpful that none of the food aid required refrigeration. It was much more difficult to arrange for refrigerated trucking services within Russia because of an acute shortage of equipment.</p> <hr/>
Railroads	<p>For all the publicity that the Russian railroad had received for its failure to deliver food within the Federation, their service was relatively good. In many cases and especially to the Urals, the rail performed better than the motor carrier services. Their success was primarily due to the use of block trains in all movements. Individual rail car moves require closer monitoring, which was more difficult than tracking the movement of a block train.</p> <p>NOTE: The ADRA truck shipments might have been more successful using the rail block train method. Even if some of the smaller cities in the Urals did not have good rail service, the cargoes could have been shipped to Chelyabinsk or Ekaterinburg and moved to the other cities by local trucks. This service would have probably been faster, more organized, and cheaper.</p> <hr/>

Transportation Companies Performance and Review to Russia

Transport Rates

The table below reflects examples of cargo rates.

NOTE: The rates listed do not offer enough information on city pairs to make modal cost comparisons but some inferences can be made from the data that may offer some guidance to humanitarian aid efforts in the future.

Cargo Rates To Ural Locations				
PVO	Rate	Mode	Origin	Destination
ADRA *	\$483	Truck	Bremen	Ural cities
CARE **	\$409	Rail	St. Petersburg	Ekaterinburg (S)
CARE **	\$209	Rail	St. Petersburg	Ekaterinburg (L)
BroB'	\$425	Truck	St. Petersburg	Ufa
BroB'	\$333	Rail	St. Petersburg	Chelyabinsk

- * The ADRA shipments could probably have been done more efficiently using block trains out of St. Petersburg or another Baltic port.
- ** Some experience with the transport system and better knowledge of costs and rates allowed Lykes (L) to offer a cheaper rate than Sea-Land (S) for the remaining CARE cargoes (see table below).

Cargo Rates To Other Locations				
PVO	Rate	Mode	Origin	Destination
BroB'	\$224	Ocean	U.S.	St. Petersburg
AJJDC	\$258	Ocean	U.S.	St. Petersburg
AJJDC	\$195	Truck	Bremen	St. Petersburg
BroB'	\$309	Truck	St. Petersburg	Moscow
CitH	\$308	Truck	Bremen	Byelorussia

Transportation Companies Performance and Review to Russia

Warehousing

The following reflected the warehouse situation within NIS:

- Adequate solid and secure dry storage.
- Warehouses (mostly Government operated) appeared to be very well organized, and good accounts were kept of all commodities in storage.
- Most warehouses stored much more valuable goods than those provided in the humanitarian food shipments.
- Sugar, canned meat, fruit juices and other goods were stored in the same rooms as USDA commodities.
- Some warehouses lacked good access to all floors and in one instance 100-pound sacks of flour had to be carried by hand up two flights of very narrow stairs.
- Narrow doors, platforms not level with truck beds, and lack of forklifts were other problems encountered.

Lessons learned by PVO's about warehouse availability and an appreciation for desirable warehouse features should eliminate some of these problems in the future.

Packaging

The following was the situation regarding packaging of commodities:

- Individual 5-pound sacks of flour remained intact more often when they were wrapped together with plastic rather than brown paper.
 - Containerization kept damage to a minimum.
 - Vegetable oil in 5-gallon metal containers showed leakage on arrival, but probably less than 1 percent were damaged. Even with some damage evident, most of the products in the containers could be salvaged.
 - Butter oil in 55-gallon drums were often stacked two-high in containers; some warehouses lacked forklifts to remove the top layer which made the drums difficult to move and required spigots from the United States in order to dispense the oil to recipients.
-

Transportation Companies Performance and Review to Russia

Labor/Military

PVO's often used young military enlistees to unload trucks and containers which was not unusual because the military is frequently used in Russia to provide assistance harvesting crops and distributing food.

NOTE: Although there is growing unemployment, there does not yet exist the same day-labor pools that are common to many U.S. cities.

Customs and Health Clearance

Generally, customs and health clearances were not a problem at border points, except for St. Petersburg. There the veterinary clearance checkpoint took issue with the format and substance of the USDA veterinary certification for milk and butter oil. Although no cargoes were held for any significant amount of time, it took the intercession of the Russian Veterinary Service in Moscow to enable the cargoes release. A new format was being developed.

Surveyors

Most cargo surveyors hired by the USDA to make a count of shipments arriving and assess damage, generally performed their function as expected. There were instances, however, where surveyors did not appear at all and other times when they lacked the staff to adequately cover all unloading operations. PVO's who reported these instances documented them.

There was also some confusion about the role of the surveyor. In some instances, the receivers (PVO's) felt the surveyor should have shared the report with them or believed the surveyor was contracted to work for them rather than act as an independent reporter to USDA for purposes of future claims.

Communications

One of the largest problems the PVO's faced was obtaining good information concerning which containers would be arriving and at what time.

The U.S.-based freight forwarder working for the PVO, or the PVO headquarters in the United States, could have provided the PVO based in Russia with the manifest of the vessel carrying the shipment. For example, the transshipments through Bremerhaven by Sea-Land made the use of the U.S. manifest impractical. Parts of shipments were often held at Bremerhaven for good reason and

Transportation Companies Performance and Review to Russia

**Communications,
Cont'd.**

it was only the Sea-Land office in Moscow which had the information on what would be coming into St. Petersburg or other ports. It took a while to establish an effective system of providing container numbers and contents to PVO's. Even then, PVO's were only advised a day or two before shipments arrived at port.

There was also a problem of determining when containers would arrive at warehouses initially, but regular reporting by Sea-Land of the dispatch schedule for trucks out of St. Petersburg effectively solved that problem.

There was less of a problem with Lykes Lines because they generally shipped directly to ports and the arrival date of the shipments was much more predictable.

USDA provided a weekly summary of tonnages shipped from the United States for each PVO. This summary was very helpful to PVO's to inform them in general terms what they could expect for cargoes in the weeks ahead. However, because it generally reported shipments of 200 tons or more (about 10 container loads), the reports were not useful for the PVO's to determine which containers would be arriving or to know the specific tonnages in those containers.

The PVO's themselves could have provided better information to their Russian-based staffs. Often the U.S.-based PVO had transportation information, or had access to it, but it was not passed to the staff in Russia. This was more often the case for PVO's who had less experience with food distribution programs, but it also was evident among the more experienced PVO's. The food program in Russia was new to all PVO's and few established good transportation information systems.

EFFECT ON RUSSIAN FOOD DISTRIBUTION SECTOR

Background

It might seem unlikely that humanitarian food assistance would foster greater reliance on the free market system, but that was one of the positive results of the program. Because food aid shipments rely primarily on the private sector, i.e., ocean carriers and PVO's, to deliver the donated products, Russian freight forwarders, warehouses, trucking companies, and the railroad, all had to respond as private entities in order to attract the new business. The Russian Government did not take part in the actual distribution of the food aid.

In the past, the Soviet Government ordered needed commodities from foreign sources and then arranged to have the products shipped and distributed through Government-controlled carriers, warehouses, and shops. Russia still uses the same system when it imports commodities today because a more market-oriented system is only beginning to develop.

The shipment of over 100,000 tons of food from the United States caused both quasi-Government operations (e.g. warehousing) and new private companies (e.g. freight forwarders) to seek this new business. The U.S. ocean carriers and PVO's, both largely new to doing business in Russia, made a substantial number of private agreements in Russia in order to secure the support services they needed. In doing so, many sectors which had very limited exposure to market systems prior to the food aid became more acquainted with standard business procedures and learned that good service has its rewards.

U.S. Ocean Carriers Benefit

For the U.S. liner companies, Sea-Land and Lykes, the food aid offered them a unique opportunity to operate in a new environment. Sea-Land had gained some experience in Russia already from its joint effort with the Ministry of Railroads to improve the Trans-Siberian Railway service. The company had very little experience moving products within the country, however, and the shipments to the Urals and other parts of Russia will help the firm establish better commercial service in the future. Sea-Land was also able to provide weekly sailings to St. Petersburg because of the food aid traffic, up from biweekly service before the aid. Increased sailing means more commercial business because shippers look for the most frequent and expeditious liner services. Lykes had no experience in Russia and

Effect on Russian Food Distribution Sector

U.S. Ocean Carriers Benefit, Cont'd.

gained much from providing a new service to a new area with a guaranteed traffic base. For both companies, learning which companies to deal with in Russia and learning how to competitively price may prove to be the hidden profit in providing service for the food assistance.

Russian Private Sector Stimulated

As stated previously, USDA operated the food assistance program by contracting with private volunteer organizations to distribute the food in Russia. The PVO's then contracted with Sea-Land and Lykes to provide ocean carriage on a through bill of lading. This meant that the ocean carrier had the responsibility to provide service up to the PVO-designated warehouse. In order to do this, Sea-Land and Lykes had to set up separate contracts or agreements with Russian ports, freight forwarders, truck companies, and the railroad.

St. Petersburg, which now operates as a private entity, had to price and deliver their port services in a competitive manner or lose the business to Baltic or German ports. Where only one freight forwarder (Soyuzvneshttrans) previously existed for all Soviet republics, at least three new private sector freight forwarders were formed to deal with the food aid shipments. Benson Forwarders and Kuhne and Nagle were two companies which established offices in Russia to manage the new business and Sea-Land arranged a joint venture with a Russian-based forwarder, Sovmortrans, to assist with their new traffic.

The freight forwarders task was to ensure that the traffic moved from port to warehouse. Those firms, then, had to contract with private trucking companies or the railroad within Russia for that service. The railroad, formerly a monopoly with virtually no competition, had to price its services competitively and develop new services, like block trains, in order to compete with the truck companies. New Russian trucking services also benefitted from the experience and the unexpected revenue.

PVO's needed warehouses in order to store their commodities initially and, in many cases, had to contract with repackaging facilities to break down the larger bags and boxes into "family packs." Warehouses and repacking facilities, traditionally

Effect on Russian Food Distribution Sector

Russian Private Sector Stimulated, Cont'd.

Government-run operations, had to competitively price their services and reorganize their operations to deal with the more market-oriented demands for those services.

By all accounts, the newly emerging private sector worked very well. The ocean carriers determined which ports and freight forwarders would best meet their needs and had several options from which to select. Freight forwarders, in turn, selected the best mix of rail and truck services. PVO's chose the warehousing and repacking facilities they needed. Each enterprise in the transportation chain gained financially from the food shipments and had the unique experience of performing in a market-based system.

USDA REPRESENTATIVE IN-COUNTRY EXPERIENCE WITHIN THE NEWLY INDEPENDENT STATES

Background

During the food assistance effort (FAE) to the newly independent states USDA provided a representative within the newly independent states (NIS) to

- serve as a source of support to PVO and the transportation industry to facilitate the delivery of food
- act as USDA liaison with other USG agencies and appropriate Government entities, and nongovernmental organizations within NIS.

The USDA representative was instrumental in

- providing in-country feedback and observations to USDA/WDC
 - providing logistical and program information as requested
 - running interference with NIS Governments
 - problem resolution in general.
-

Report of USDA's NIS Representative

The information below is a report of the observations of USDA representative within NIS.

Role of Entities Within NIS

The table below contains the role of the entities involved in FAE in NIS.

Name of Entity	Role of Entity
Ministry of Social Protection	<p>The role of the Ministry of Social Protection is to</p> <ul style="list-style-type: none">• administer the Pension funds of the Russian populace, and• provide income supplements to children, young mothers, needy families, etc.

USDA Representative In-Country Experience Within the Newly Independent States

Name of Entity	Role of Entity
Commission For International Humanitarian & Technical Assistance	<p>The role of the Commission is to</p> <ul style="list-style-type: none"> provide internal coordination for all Humanitarian & Technical Assistance given Russia by international community; all foreign assistance to the Russian Federation was to flow through the CIHTA serve as clearing house for all information from Russia to international community to <ul style="list-style-type: none"> provide names of cities/areas most in need of assistance in some cases, provide names of individuals to contact To serve as liaison between USDA, private voluntary organizations, other USG agencies and the cities and entities of the Russian Federation organizations.
Republican Fund	The role of the Republican Fund is to provide the control for receipt and disbursement of the monetized proceeds from the Bilateral Agreement.

Problems Experience The table below contain a list of problems and issues that surfaced with the (CIHTA) within NIS and the results.

Problem/Issue	Action Taken by USDA	Results
1. Commodity lead Contamination issue in Urals	<ul style="list-style-type: none"> Requested assistance from CIHTA to resolve issue. 	<ul style="list-style-type: none"> CIHTA provided some assistance given. <p>Note: Problem also a political issue, due to Communist hardliner activity in area.</p>
	<ul style="list-style-type: none"> Elevated contamination issue to Ministerial level and provided commodity testing results from National Academy of Sciences in Moscow. 	<ul style="list-style-type: none"> Problem subsided.
2. USDA commodities held up at port of St. Petersburg due to "inadequate" documentation of the health and safety of the commodities.	<ul style="list-style-type: none"> Requested CIHTA assistance in clearing commodities until further documentation could be written. 	<ul style="list-style-type: none"> CIHTA provided assistance, however, problems were still experienced. <ul style="list-style-type: none"> no warning, and minimal assistance.

USDA Representative In-Country Experience Within the Newly Independent States

Problem/Issue	Action Taken by USDA	Results
3. Commodity Program Shutdown in Urals at the direction of Social Protection Ministry in Urals' city and Commodity Loss.	<ul style="list-style-type: none"> Requested assistance from CIHTA 	<ul style="list-style-type: none"> Some assistance given through local Social Protection representative.
4. PVO harassment in Far East (Catholic Relief Services ,CRS, denied warehouse access).	<ul style="list-style-type: none"> Requested assistance through CIHTA to resolve harassment issue. CRS sent representative to Moscow, who accompanied USDA Moscow to CIHTA. 	<ul style="list-style-type: none"> Krai representative in Moscow provided necessary documents to assist in helping to resolve issue.
	<ul style="list-style-type: none"> Visit later paid to Foreign Ministry and was give name of representative for Krai. USDA met and provided Krai official with documents describing situation and requesting assistance. 	<ul style="list-style-type: none"> Obtain new warehousing for CRS and better working relationship with Krai officials.
5. CIHTA did not provide visa support and copy of federation law to PVO's to allow transportation and living expenses to be paid in rubles.	<ul style="list-style-type: none"> Spoke with CIHTA to discern process for requesting federation documentation. USDA/PVO prepared numerous requests/documents in a timely manner. 	<ul style="list-style-type: none"> Only two PVO's received documentation. Visa support was late in coming or not at all.

USDA Representative In-Country Experience Within the Newly Independent States

Summary Of In-country Observations

The following is a summary of the USDA representative observations of the NIS Governments and logistical concerns that impacts the FAE:

- The Commission For International Humanitarian & Technical Assistance was not as effective in assisting USDA efforts as had been hoped because the Russian Federation's internal transition is still a state of flux. **(A clear line of authority from Moscow throughout the Federation does not exist at this time.)**
- The personnel on the Commission, with one or two exceptions, spoke no English and had travelled little outside Russia.
- Unfamiliarity with the West bred numerous delays and misunderstandings regarding several documents and processes, which resulted in numerous renegotiations and paperwork.
- The Commission for International Humanitarian & Technical Assistance has been incorporated into the Agency for International Cooperation and Development. It is too early to tell what effect this will have on operations.
- The USDA is still working with the Commission on the Bilateral Agreement's operational implementation and information flow.

The Need For USDA In-country Support In Future FAE's

The need of continued USDA representative support within NIS was raised at the facilitation session with representatives

- from the PVO organizations
- transportation industry
- USDA.

The consensus was that a USDA representative in-country is extremely helpful and would be needed to help resolve problems and facilitate the food deliver effort in the event of future FAE.

USDA Representative In-Country Experience Within the Newly Independent States

The Need For USDA In-country Support In Future FAE's Cont'd.

The following are comments from the PVO and transportation representatives attending the facilitation session in support of a USDA representative within NIS:

- USDA in country personnel served as a clearing house which was helpful to PVO's.
 - PVO was able to get quick answers to questions with the aid of the USDA representative.
 - USDA representative served as an example to NIS Government and the private sector.
 - In-country support is important in the development of monetization in a new food assistance effort (CRS).
 - In country support is necessary to assist with new directions.
 - In-country support is necessary to provide assistance and troubleshooting and intelligence gathering (WVRD).
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